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October 3, 2007

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VIA COURIER

Marlene H. Dortch
Secretary
Federal Communications Commission
Wireline Competition Bureau -- CPD -- 214 Appls.
P.O. Box 358145
Pittsburgh, PA 15251-5145

Re: Application for Yipes Enterprise Services, Inc., Yipes Holdings, Inc. and FLAG
Telecom Group Services Limited for Consent to Transfer Control of Domestic
and International Section 214 Authorizations

Dear Ms. Dortch:

On behalf of Yipes Enterprise Services, Inc. ("Yipes"), Yipes Holdings, Inc. ("Yipes Holdings") and FLAG Telecom Group Services Limited ("FLAG" and, together with Yipes and Yipes Holdings, "Applicants"), enclosed please find an original and six (6) copies of an application for consent to transfer control of domestic and international Section 214 authorizations held by Yipes from Yipes Holdings to FLAG.

Pursuant to Section 63.04(b) of the Commission's Rules, the Applicants submit this filing as a combined international Section 214 transfer of control application and domestic Section 214 transfer of control application.

Also enclosed please find a completed Fee Remittance Form 159 containing a valid American Express credit card number and expiration date for payment, in the amount of \$965.00, to the Federal Communications Commission, in satisfaction of the filing fee for this application under line 2.b of Section 1.1105 of the Commission's Rules.

The Applicants also have filed the application with the International Bureau through the MyIBFS filing system.

Paul Hastings

Marlene H. Dortch

October 3, 2007

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Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tara K. Giunta", written over the printed name.

Tara K. Giunta

of PAUL, HASTINGS, JANOFSKY & WALKER LLP

LEGAL_US_E # 76676945.1

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Yipes Enterprise Services, Inc.)	WB Docket No. 07-_____
<i>Licensee</i>)	
)	
Yipes Holdings, Inc.)	File No. ITC-T/C-2007_____
<i>Transferor</i>)	
)	
FLAG Telecom Group Services Limited)	
<i>Transferee</i>)	
)	
Application for Consent to Transfer Control)	
of a Company Holding an International)	
Authorization and Blanket Domestic)	
Authorization Pursuant to Section 214 of the)	
Communications Act of 1934, as Amended)	

APPLICATION

Yipes Enterprise Services, Inc. ("Yipes"), Yipes Holdings, Inc. ("Yipes Holdings") and FLAG Telecom Group Services Limited ("FLAG" and, together with Yipes and Yipes Holdings, "Applicants") hereby request authority pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. §214 (the "Act"), and Sections 63.04 and 63.24(e) of the Commission's Rules, 47 C.F.R. §§ 63.04, 63.24(e), to transfer control of Yipes through its holding company, Yipes Holdings, to FLAG.

Pursuant to an Agreement and Plan of Merger dated July 14, 2007 ("Agreement"), FLAG will become the direct 100 percent owner of Yipes Holdings, Yipes' direct corporate parent, as a result of an all-cash transaction. Yipes is a competitive carrier that provides managed Ethernet and application delivery services principally in 20 major metropolitan markets within the U.S. and to locations around the world. FLAG is a wholly-owned

direct subsidiary of FLAG Telecom Group Limited (“FTGL,” or, together with its subsidiaries, “FLAG Telecom”), a leading provider of international network transport and data services to telecommunications operators, content providers and ISPs, with operations in 19 countries, including the U.S. FLAG Telecom owns and manages a high-speed fiber optic and MPLS/IP network that connects key business markets in Asia, Europe, the Middle East and the United States. FLAG Telecom’s parent company is Reliance Communications Limited (“Reliance”), one of India’s largest telecommunications service providers.

Pursuant to Section 63.04(b) of the Commission’s Rules, 47 C.F.R. § 63.04(b), the Applicants are filing a combined application for Commission consent to the proposed transfer of control. The Applicants provide below the information required by Section 63.24(e)(2) of the Commission’s Rules, 47 C.F.R. § 63.24(e)(2). *Exhibit A* provides the additional information requested by Section 63.04(a)(6) through (a)(12) of the Commission’s Rules, 47 C.F.R. § 63.04(a)(6)-(12).

This transaction will not involve a transfer of operating authority, assets or customers. Immediately following consummation of the transaction, Yipes will continue to provide service to its existing customers under existing service arrangements. The proposed transaction, therefore, will be transparent and seamless to Yipes’ customers. Appended hereto as *Exhibit B* are organizational diagrams that illustrate the current corporate structure of the parties to the transaction and the structure that will exist following consummation of the proposed transaction.

The Applicants respectfully request streamlined treatment of this Application pursuant to Sections 63.03 and 63.12 of the Commission’s Rules, 47 C.F.R. §§ 63.03 and

63.12. This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission's Rules, 47 C.F.R. § 63.03(b)(2), because (1) the proposed transaction will result in FLAG (including its affiliates, as that term is defined in Section 3(1) of the Act) having a market share in the interstate, interexchange market of less than 10 percent; (2) FLAG (through Yipes, including their respective affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) neither FLAG, Yipes, nor any of their respective affiliates are regulated as dominant with respect to any service.

This Application also qualifies for streamlined treatment under Section 63.12 because post-close (1) FLAG is not affiliated with any dominant U.S. carrier whose services FLAG (through Yipes) may resell; (2) although FLAG is affiliated with foreign carriers, each of these carriers qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission's Rules, 47 C.F.R. § 63.10(a)(3); and (3) none of the other provisions contained in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

I. APPLICANTS

A. Yipes (FRN 0016781163) and Yipes Holdings (FRN 0016781262)

Yipes is a privately-held Delaware corporation located at 114 Sansome Street, 11th Floor, San Francisco, CA 94104. Founded in 2002, Yipes is a leading provider of managed Ethernet and application delivery services. Essentially, Ethernet services are private data communications transport services based on Ethernet technology. Yipes uses Ethernet services technology to offer businesses flexible, high-speed data links and to connect their Local Area Networks ("LANs") to the Internet. Yipes' customers connect

to Yipes' network via a standard Ethernet interface, and Yipes ensures that its customers' traffic reaches its destination efficiently. Yipes provides to business customers network connectivity and management operations.¹ Yipes provides these data services to more than 950 enterprise customers worldwide primarily in the financial, legal, government and healthcare industries. Yipes owns more than 22,000 route kilometers of fiber across 17 U.S. metropolitan areas. In addition, Yipes has points of presence ("POPs") in London, Hong Kong and Tokyo. Yipes does not maintain any sales offices or have employees in any foreign jurisdictions.

Yipes is authorized to provide competitive local telecommunications services in the following states: California, Florida, Maryland, New York, Pennsylvania, Virginia and the District of Columbia. Yipes is authorized to provide local and interexchange telecommunications services in the following states: Connecticut, Georgia, Illinois, Massachusetts, New Jersey, Texas and Washington. Yipes was authorized by the Commission under Section 214 of the Act in File No. ITC-214-20031104-00505, granted December 5, 2003, to provide international telecommunications services on a global or limited global facilities-based and resale basis. Yipes will continue to hold its Commission authorization to provide international services following the transfer of control.

¹ Yipes provides only dedicated services, not presubscribed services. As such, anti-slamming and similar measures applicable to traditional voice-oriented services generally are not applicable to Yipes.

Yipes is 100% wholly owned by Yipes Holdings, a Delaware corporation located at the same address that functions as a holding company. Currently, the following groups own 10% or more of the equity or voting interests² in Yipes Holdings:

Name: Norwest Venture Partners IX, L.P. and affiliates
Address: 525 University Avenue, Suite 800
Palo Alto, CA 94301
Citizenship: USA
Percentage Owned: 26.8%
Principal Business: Investment

Name: Sprout Capital VIII, L.P. and affiliates
Address: 11 Madison Avenue
New York, NY 10010-3629
Citizenship: USA
Percentage Owned: 22.9%
Principal Business: Investment

Name: J.P. Morgan Partners (BHCA), L.P. and affiliates (J.P. Morgan)
Address: c/o J.P. Morgan Partners, LLC
1221 Avenue of the Americas, 39th Floor
New York, NY 10020
Citizenship: USA
Percentage Owned: 23.1%
Principal Business: Investment

Name: Crosslink Ventures, IV, L.P. and affiliates ("Crosslink")
Address: Two Embarcadero Center, Suite 2200
San Francisco, CA 94111
Citizenship: USA
Percentage Owned: 23.3%
Principal Business: Investment

No other person or entity currently owns 10% or more of the equity or voting interests in Yipes Holdings.

² Unless otherwise noted, ownership percentages refer to ownership of both equity and voting interests in Yipes Holdings.

Crosslink has a 10% or greater ownership interest in the following entity that offers domestic telecommunications services: Archway Broadcasting Group, which provides radio communications in Illinois, Georgia and Arkansas.

J.P. Morgan has a 10% or greater ownership interest in the following entity that offers domestic telecommunications services: Last Mile Connections, Inc., which provides bandwidth, collocation and interconnection services with data centers in Georgia, Illinois, Texas, California, Florida, New York and the District of Columbia.

B. FLAG (FRN 0016770455)

FLAG, a Bermuda company, is located at Milner House, 18 Parliament Street, Hamilton HM 12, Bermuda. FLAG is a leading provider of international network transport and data services to telecommunications operators, content providers and ISPs, with operations in 19 countries. FLAG Telecom owns and manages a high-speed fiber optic and MPLS/IP network that connects key business markets in Asia, Europe, the Middle East and the United States. FLAG Telecom is a carrier's carrier that serves large consumers of international communications capacity. FLAG Telecom is not authorized to provide telecommunications services in any state, nor is it authorized by the Commission under Section 214 of the Act to provide international telecommunications services. FLAG Telecom holds submarine cable landing licenses from the Commission, as do other FLAG affiliates. Reliance Communications, Inc. ("RCI"), a FLAG affiliate that is a wholly-owned indirect subsidiary of Reliance, holds an international Section 214 authorization from the Commission, as described in Section IV below. Reliance Communications International, Inc., a wholly-owned subsidiary of RCI, provides prepaid international calling card services in the United States but does not provide U.S. domestic telecommunications services. RCI is a wholly-owned subsidiary of Reliance Infocom

BV ("RIBV"), which holds a 78.8% ownership interest in FLAG Telecom. FLAG currently has no affiliates that offer domestic telecommunications services.

Reliance, an indirect parent of FLAG, is a limited company organized under the laws of India and is part of the Reliance Anil Dhirubhai Ambani Group, one of the top business groups in India with a group market capitalization of over \$41 billion. Reliance is one of India's foremost integrated telecommunications service providers but does not hold a 50 percent market share in any of the services it provides. Its customers include more than 32 million wireless customers (representing roughly 20 percent of India's vast wireless market) and over 1 million overseas retail customers. Its corporate customers include 600 Indian and 250 multinational corporations and over 200 global carriers. In India, Reliance has established a next generation, integrated (wireless and wireline), convergent (voice, data and video) digital network. Reliance and its subsidiaries own and operate an IP-enabled infrastructure comprised of over 150,000 kilometers of fiber optic cable systems in India, the United States, Europe, the Middle East and the Asia Pacific region. Reliance Telecom Limited, Reliable Internet Services Limited, Reliance Communications Infrastructure Limited, and Reliance Telecom Infrastructure Limited are wholly-owned subsidiaries of Reliance that provide domestic telecommunications services in India.

The complete ownership of FLAG is described in Section IV below.

II. DESCRIPTION OF THE TRANSACTION

By this Application, the Applicants request approval for the transfer of control of Yipes from Yipes Holdings to FLAG. Pursuant to an Agreement and Plan of Merger dated July 14, 2007 ("Agreement"), FLAG will become the direct 100 percent owner of Yipes Holdings, Yipes' direct corporate parent, as a result of an all-cash merger

transaction. More specifically, FLAG's direct, wholly-owned subsidiary, Flag Telecom USA Limited ("Merger Subsidiary"), will merge with and into Yipes Holdings, with Yipes Holdings being the surviving corporation and the Merger Subsidiary ceasing to exist as a corporate entity.³ Thus, FLAG will become the new corporate parent of Yipes Holdings, which will remain the corporate parent of Yipes. The post-close ownership of Yipes is described in Section IV below.

The closing of the transaction will be contingent upon the receipt of the required regulatory approvals among other things.⁴

III. PUBLIC INTEREST STATEMENT

The proposed transfer of control described herein will serve the public interest. Indeed, FLAG and Yipes are complementary in terms of their products, services and networks. With the acquisition of Yipes, FLAG will accelerate its penetration into the global enterprise data market and will be better able to serve its international customers directly in the United States. With the backing of FLAG, Yipes will expand its reach worldwide and be better able to serve its domestic U.S. customers with international communications needs. Although Yipes will be strategically and operationally integrated within FLAG, the key senior management and day-to-day management of Yipes will remain with the company and continue their current responsibilities.

At the same time, the proposed transaction does not present any anti-competitive issues. The transaction will be completely transparent to consumers. Yipes will continue

³ Each share of common stock of the Merger Subsidiary issued and outstanding immediately prior to the merger will remain outstanding and will represent one share of common stock of Yipes Holdings so that FLAG will hold all of the issued and outstanding shares of Yipes Holdings' common stock.

⁴ On August 20, 2007, the U.S. Federal Trade Commission granted Applicants early termination of the applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18a, and 16 C.F.R. Parts 801-803.

to provide high-quality communications services to its customers without interruption and without change in rates, terms or conditions. Furthermore, the proposed transaction will not have a negative impact on competition. No existing or potential competitors will be eliminated as a result of the proposed transaction. To the contrary, the proposed transaction will strengthen the ability of Yipes to compete in the U.S. market, and will further the Commission's policies favoring increased competition and greater diversity and quality of services. This will enable both FLAG and Yipes to be more effective competitors in the markets in which they operate, which will further benefit consumers by bringing a diversity of services at competitive prices.

IV. INFORMATION REQUIRED BY SECTION 63.24(E) OF THE COMMISSION'S RULES

In support of this Application, the Applicants submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18:

(a) Name, address and telephone number of the Applicants:

Yipes Enterprise Services, Inc. (licensee)
114 Sansome Street, 11th Floor
San Francisco, CA 94104
Tel: (415) 901-2000

Yipes Holdings, Inc. (transferor)
114 Sansome Street, 11th Floor
San Francisco, CA 94104
Tel: (415) 901-2000

FLAG Telecom Group Services Limited (transferee)
Sovereign Court, 635 Simpson Road
Simpson West Drayton
Middlesex UB7 OJE
United Kingdom
Attn: Mr. Prakash Shenoy

Tel: (+44) 20 8282 1554

- (b) Yipes and Yipes Holdings are corporations organized under the laws of the State of Delaware. FLAG is a corporation organized under the laws of Bermuda.
- (c) Correspondence concerning this Application should be sent to:

For Yipes and Yipes Holdings:

Joel Winnik
Hogan & Hartson LLP
Columbia Square
555 Thirteenth Street, NW
Washington, DC 20004
Telephone: (202) 637-5600
Fax: (202) 637-5910
JSWinnik@hhlaw.com

For FLAG:

Tara K. Giunta
J. Steven Rich
Paul, Hastings, Janofsky & Walker, LLP
875 15th Street, NW
Washington, DC 20005
Telephone: (202) 551-1700
Fax: (202) 551-0198
Email: stevenrich@paulhastings.com

With copies to:

Mark Hornor
Associate General Counsel
Yipes Enterprise Services, Inc.
114 Sansome Street, 11th Floor
San Francisco, CA 94104
Telephone: (415) 901-2159
Fax: (415) 901-2201
Email: mhornor@yipes.com

Prakash Shenoy
FLAG Telecom Ltd.
Sovereign Court
635 Simpson Road

West Drayton
Middlesex – UB7 OJE
United Kingdom
Tel: +44 20 8282 1554
Fax: +44 20 8282 1566
pshenoy@flagtelecom.com

- (d) Yipes is authorized by the Commission in File No. ITC-214-20031104-00505, granted December 5, 2003, to provide international telecommunications services on a global or limited global facilities-based and resale basis. FLAG does not hold Section 214 authority. Reliance does not hold Section 214 authority. FLAG's affiliate, Reliance Communications, Inc., a wholly-owned subsidiary of Reliance, is authorized by the Commission in File No. ITC-214-20021107-00535, granted January 1, 2003, to provide global or limited global facilities-based service and global or limited global resale service. The Commission approved the transfer of control of Reliance Communications, Inc. from Reliance to Anil Ambani in ITC-T/C-20061109-00517 on March 30, 2007.
- (h) Following the transaction described herein, Yipes will be a 100% wholly-owned subsidiary of Yipes Holdings, a Delaware corporation located at 114 Sansome Street, 11th Floor, San Francisco, California 94104. Yipes Holdings functions as a holding company for Yipes. Yipes will be a 100% wholly owned subsidiary of FLAG, a Bermuda corporation located at Sovereign Court, 635 Simpson Road, Simpson West Drayton, Middlesex UB7 OJE, United Kingdom. FLAG's principal business is telecommunications.

The following entities and individuals own 10% or more of the equity or voting interests⁵ in FLAG (please also see *Exhibit B* appended hereto):

<i>Name:</i>	FLAG Telecom Group Limited (FTGL)
<i>Address:</i>	Milner House 18 Parliament Street Hamilton HM12 Bermuda
<i>Citizenship:</i>	Incorporated in Bermuda
<i>Principal Business:</i>	Telecommunications
<i>Percentage of Equity in FLAG:</i>	100% direct
<i>Name:</i>	Lagerwood Investments Limited (LIL)
<i>Address:</i>	Arch Makariou III 229 Meliza Court 4th Floor P.C. 3105,

⁵ Unless otherwise noted, ownership percentages refer to ownership of both equity and voting interests in FLAG.

<i>Citizenship:</i>	Limassol, Cyprus
<i>Principal Business:</i>	Incorporated in Cyprus
<i>Percentage of Equity in FLAG:</i>	Holding Strategic Investments 20% Indirect (through 20% direct ownership of FLAG Telecom Group Limited)
<i>Name:</i>	Reliance Communications Shareholders Trust (RCS Trust)
<i>Address:</i>	15, Agiou Pavlou Street, Ledra House, 1105 Nicosia, Cyprus
<i>Citizenship:</i>	Created in Cyprus
<i>Principal Business:</i>	Holding Strategic Investments
<i>Percentage of Equity in FLAG:</i>	20% Indirect (through 100% direct ownership of Lagerwood Investments Limited)
<i>Name:</i>	Reliance Infocom BV (RIBV)
<i>Address:</i>	Amsteldijk 166, 1079 LH Amsterdam, The Netherlands
<i>Citizenship:</i>	The Netherlands
<i>Principal Business:</i>	Holding Strategic Investments
<i>Percentage of Equity in FLAG:</i>	78.8% Indirect (through 78.8% direct ownership of FLAG Telecom Group Limited)
<i>Name:</i>	Reliance Gateway Net Limited ("RGNL")
<i>Address:</i>	H Block, 1 st Floor Dhirubhai Ambani Knowledge City Navi Mumbai – 400 710 Maharashtra, India
<i>Citizenship:</i>	Incorporated in India
<i>Principal Business:</i>	Holding Strategic Investments
<i>Percentage of Equity in FLAG:</i>	80% Indirect (through 1.2% direct ownership of FLAG Telecom Group Limited and 78.8% indirect through

⁶ Through operation of the multiplier specified in Section 63.18(h) note, when calculating attributable interests, wherever the ownership percentage for any link in the ownership chain between a licensee and the ultimate controlling party exceeds 50%, it is to be treated as a 100% interest. See note to paragraph (h).

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

Reliance Infocom BV)

Name: Reliance Communications Limited
("Reliance")
Address: H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai – 400 710
Maharashtra, India
Citizenship: Incorporated in India
Principal Business: Holding Strategic Investments
Percentage of Equity in FLAG: 100% Indirect {through 80% (100% direct ownership of RGNL and 10% direct ownership and 90% indirect ownership through RGNL in RIBV). 20% economic interest through RCS Trust}

Name: AAA Communications Private Limited
(AAACPL)
Address: 3rd Floor, Reliance Energy Centre
Santa Cruz (East)
Mumbai – 400 055
Maharashtra, India
Citizenship: Incorporated in India
Principal Business: Holding Strategic Investments
Percentage of Equity in FLAG: 100% Indirect (through 63.98% direct ownership of Reliance Communications Limited)⁶

Name: Reliance Innoventures Private Limited
Address: 3rd Floor, Reliance Energy Centre
Santa Cruz (East)
Mumbai – 400 055
Maharashtra, India
Citizenship: Incorporated in India
Principal Business: Holding Strategic Investments
Percentage of Equity in FLAG: 100% Indirect (through 63.98% direct ownership of AAA Communications Private Limited and 0.56% direct ownership of Reliance Communications Limited)⁷

Name: Mr. Anil Ambani
Address: Reliance Center,
19, Walchand Hirachand Marg,
Ballard Estate
Mumbai, India

Citizenship: 400038
Principal Business: India
Percentage of Equity in FLAG: Industrialist
 100% indirect (through 67% direct ownership of Reliance Innoventures Private Limited and 0.09% direct ownership of Reliance Communications Limited)⁸

Name: Mrs. Kokilaben Ambani
Address: Reliance Center,
 19, Walchand Hirachand Marg,
 Ballard Estate
 Mumbai, India
 400038

Citizenship: India
Principal Business: Investor
Percentage of Equity in FLAG: 21.2982% indirect (through 33% direct ownership of Reliance Innoventures Private Limited and 0.23% direct ownership of Reliance Communications Limited)⁹

No other person or entity holds 10% or more of the equity or voting interests in FLAG.

There will be interlocking directorates with a foreign carrier post-close as follows:

<u>Name of the Company</u>	<u>Country</u>	<u>Directors/Officers</u>
FLAG Telecom Group Services Limited	Bermuda	Rod Riley Mike Sauer Owen Best Nigel Bayliff
FLAG Telecom Group Limited	Bermuda	Rod Riley*
FLAG Telecom Ireland Limited	Ireland	Rod Riley*
FLAG Atlantic UK Limited	UK	Rod Riley*
FLAG Telecom Servizi Italia SpA	Italy	Nigel Bayliff
FLAG Atlantic France SAS	France	Mike Sauer

FLAG Telecom (Taiwan) Limited	Taiwan	Owen Best
FLAG Telecom Hellas AE	Greece	Rod Riley
FLAG Telecom Japan Limited	Japan	Owen Best
FLAG Telecom Asia Limited	Hong Kong	Owen Best
Reliance Communications Canada Inc.	Delaware	Mike Sauer

* Mr. Rod Riley is only an officer in the above companies

- (i) As evidenced by the signature to this Application, FLAG certifies that it is affiliated with certain foreign carriers, as that term is defined by Section 63.09 of the Commission's rules, that are subsidiaries of FLAG (in the case of FLAG Telecom Asia Limited – Hong Kong, FLAG Telecom Deutschland Network GMBH – Germany, and FLAG Telecom Hellas A.E. – Greece) and others that are not subsidiaries of FLAG but are subsidiaries of FLAG's parent company, FTGL. These foreign carrier affiliates each have a market share of less than 50% in the international transport and the local access markets in the markets in which they operate and therefore are presumptively non-dominant and lacking in market power.¹⁰ The foreign carrier affiliates are set forth below.

<u>Destination Country</u>	<u>Foreign Carrier Affiliate</u>
Bahrain	FLAG Telecom Group Limited
Hong Kong	FLAG Telecom Asia Limited
Italy	FLAG Telecom Servizi Italia SpA
	FLAG Telecom Ireland Limited
Japan	FLAG Telecom Japan Limited
Republic of Korea (South)	Seoul Telenet, Inc.
Singapore	FLAG Telecom Singapore Pte. Limited
Taiwan (Chinese Taipei)	FLAG Telecom Taiwan Limited
Belgium	FLAG Telecom Belgium

¹⁰ See 47 C.F.R. §§ 1.767(k)(2), 63.12(c)(1), 63.10(a)(3).

France	FLAG Atlantic France SAS
Netherlands	FLAG Telecom Nederland Network BV
	FLAG Telecom Ireland Limited
Spain	FLAG Telecom Espana Network
United Kingdom	FLAG Atlantic UK Limited
Germany	FLAG Telecom Deutschland Network
Greece	FLAG Telecom Hellas A.E.

Reliance, an indirect parent company of FLAG, is a foreign carrier authorized to provide competitive wireline and wireless voice and data services in India. Reliance is also affiliated with the foreign carriers specified below. Each such carrier is non-dominant in the competitive markets in which it operates. Specifically, each foreign carrier affiliate has less than a 50% market share in the international transport and local access markets in the market in which it operates (and Reliance, RTL, RISL, RCIL and RTIL in the aggregate do not have a 50% or greater share of the market for international transport and local access in India). Reliance's foreign carrier affiliates are:

<u>Destination Country</u>	<u>Foreign Carrier Affiliate</u>
India	Reliance Telecom Limited ("RTL")
	Reliance Communications Infrastructure Limited ("RCIL")
	Reliable Internet Services Limited
	Reliance Telecom Infrastructure Limited
United Kingdom	Reliance Communications UK Limited
Canada	Reliance Communications Canada, Inc.
Australia	Reliance Communications (Australia) Pty Limited
New Zealand	Reliance Communications (New Zealand) Pte Limited
Singapore	Reliance Communications (Singapore) Pty Limited
Hong Kong	Reliance Communications (Hong Kong) Pty

Limited ("RCHKPL")

Malaysia

RCOM SBN BHD

Reliance Communications (Australia) Pty Limited, Reliance Communications (New Zealand) Pte Limited, Reliance Communications (Singapore) Pty Limited, Reliance Communications (Hong Kong) Pty Limited, RCOM SBN BHD, Reliance Communications Canada, Inc., Reliance Communications UK Limited also are subsidiaries of RIBV.

In addition, Yipes has points of presence ("POPs") in London, Hong Kong and Tokyo. Yipes does not maintain any sales offices or have employees in any foreign jurisdictions.

- (j) As evidenced by the signatures to this Application, the Applicants certify that (a) FLAG is not a foreign carrier; (ii) FLAG controls foreign carriers in Hong Kong, Germany and Greece; (iii) (A) FTGL, an entity that holds a greater than 25 percent ownership interest in FLAG, controls foreign carriers in Bahrain, Italy, Japan, Republic of Korea (South), Singapore, Taiwan (Chinese Taipei), Belgium, France, Netherlands, Spain and the United Kingdom, and (B) Reliance, an entity that holds a greater than 25 percent ownership interest in FLAG, also controls foreign carriers in India. Reliance and its wholly-owned subsidiary, RIBV (which holds a greater than 25 percent ownership interest in FLAG), also control foreign carriers in the United Kingdom, Canada, Australia, New Zealand, Singapore, Hong Kong and Malaysia; and (iv) FLAG does not seek to provide any international telecommunications services to any destination for which two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of FLAG (except as disclosed herein) or are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.

In addition, Yipes has points of presence ("POPs") in London, Hong Kong and Tokyo. Yipes does not maintain any sales offices or have employees in any foreign jurisdictions.

- (k) All the countries listed in (j) above are members of the World Trade Organization.
- (l) Each of the foreign carrier affiliates post-close holds less than 50 percent market share in the international transport and local access markets in their respective countries. Accordingly, these foreign carrier affiliates lack market power, and FLAG is entitled to a presumption of non-dominant treatment.
- (m) See response to (l) above.

- (n) As evidenced by the signatures to this Application, the Applicants certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and that they will not enter into such agreements in the future.
- (o) As evidenced by the signatures to this Application, the Applicants certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, that they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Applicants request streamlined processing of this Application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. This Application qualifies for streamlined treatment under Section 63.12 because, in accordance with Section 63.12(c), (i) FLAG is not affiliated with any dominant U.S. carrier whose services FLAG (through Yipes) may resell; (ii) although FLAG is affiliated with foreign carriers (listed in (i) above), each of these carriers qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission's Rules, 47 C.F.R. § 63.10(a)(3), as each of these carriers lacks a 50 percent market share in the international transport and local access markets on the foreign end of that route; and (iii) none of the other scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12, apply.

V. INFORMATION REQUIRED BY SECTION 63.04(B) OF THE COMMISSION'S RULES

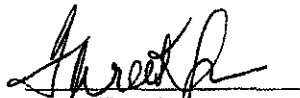
In accordance with the requirements of Section 63.04(b) of the Commission's Rules, the additional information required for the domestic Section 214 transfer of control application is provided in *Exhibit A*.

VI. CONCLUSION

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application.

Respectfully submitted,

FLAG Telecom Group Services Limited



Tara K. Giunta

J. Steven Rich

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Date: 10-2-07

EXHIBIT A

DOMESTIC SECTION 214 TRANSFER OF CONTROL INFORMATION

In accordance with the requirements of Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04, the Applicants provide the following information in support of their request.

63.04(b)(6): Description of the Transaction

The proposed transaction is described in Section II of the Application.

63.04(b)(7): Description of Geographic Service Area and Services in Each Area

A description of the geographic service areas and services provided in each area is described in Sections I and IV of the Application.

63.04(b)(8): Presumption of Non-Dominance and Qualification for Streamlining

This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission's Rules, 47 C.F.R. § 63.03(b)(2), because (1) the proposed transaction will result in FLAG (including its affiliates, as that term is defined in Section 3(1) of the Act) having a market share in the interstate, interexchange market of less than 10 percent; (2) FLAG (through Yipes, including their respective affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) neither Yipes, FLAG, nor any of their respective affiliates are regulated as dominant with respect to any service.

63.04(b)(9): Other Pending Commission Applications Concerning the Proposed Transaction

On July 31, 2007, FTGL filed a pro forma notice of a transfer of control of a cable landing license with the Commission. Although this filing is not a pending application, the Applicants are noting the filing because it does discuss the ownership of FLAG.

63.04(b)(10): Special Considerations

None.

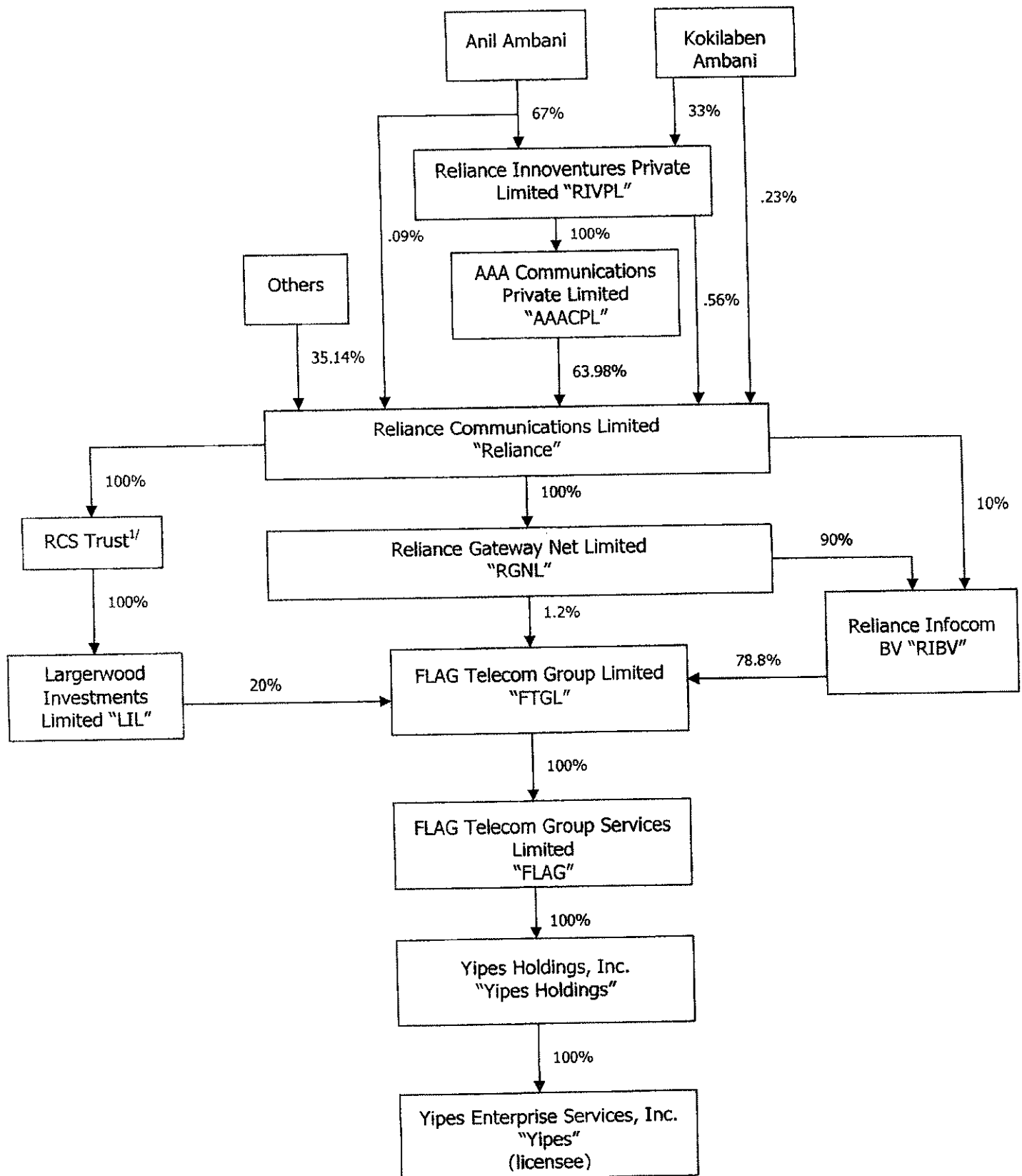
63.04(b)(11): Waiver Requests (If Any)

None.

63.04(b)(12): Public Interest Statement

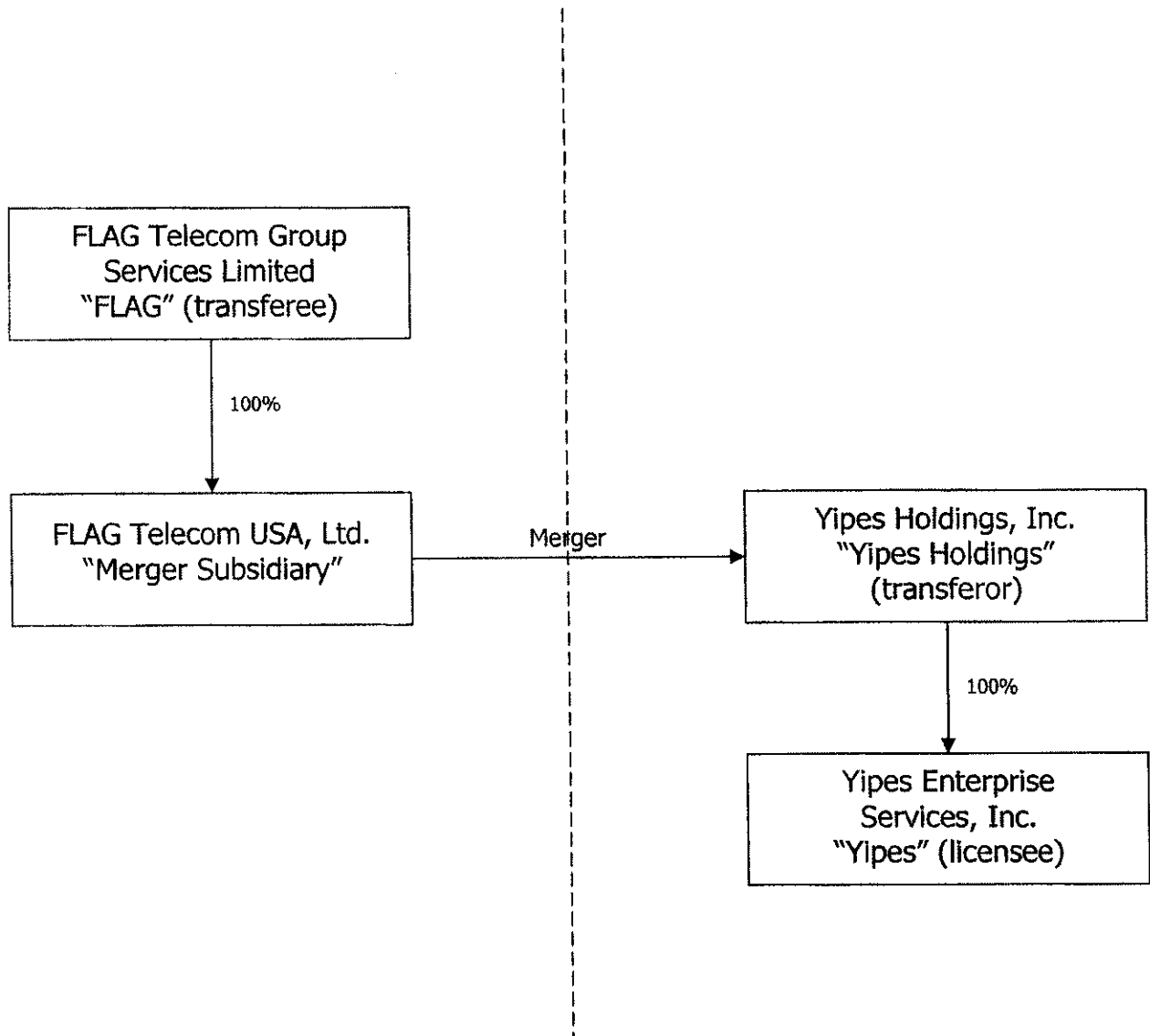
The proposed transaction is in the public interest for the reasons detailed in Section III of the Application.

Corporate Structure of Yipes Post-Close



^{1/} The 100% economic interest of the RCS Trust will remain with Reliance/Reliance shareholders.

Existing Corporate Structure of Yipes and FLAG



READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE
FORM 159

Approved by OMB
3060-0589
Page No 1 of 2

(1) LOCKBOX # 358145		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Paul, Hastings, Janofsky & Walker LLP		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$965.00	
(4) STREET ADDRESS LINE NO. 1 875 15th Street, N.W.			
(5) STREET ADDRESS LINE NO. 2			
(6) CITY Washington		(7) STATE DC	(8) ZIP CODE 20005
(9) DAYTIME TELEPHONE NUMBER (include area code) 202-551-1700		(10) COUNTRY CODE (if not in U.S.A.) US	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0003779501		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Yipes Enterprise Services, Inc.			
(14) STREET ADDRESS LINE NO. 1 114 Sansome Street			
(15) STREET ADDRESS LINE NO. 2 11th Floor			
(16) CITY San Francisco		(17) STATE CA	(18) ZIP CODE 94104
(19) DAYTIME TELEPHONE NUMBER (include area code) 415-901-2025		(20) COUNTRY CODE (if not in U.S.A.) US	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0016781163		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$965.00	(27A) TOTAL FEE \$965.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>J. Steven Rich</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>J. Steven Rich</u>		DATE <u>10/3/07</u>	